ANNEXURE A

THE MYSORE OWNERSHIP PLATS (REGULATION OF THE PROMOTION OF CONSTRUCTION, SALE, MANAGEMENT AND TRANSFER) BILL, 1972.

(L.A. BILL NO. 30 OF 1972)

A Bill to regulation in the State of Mysore the promotion of the construction of, the sale and management, and the transfer of flats on ownership basis.

Whereas, it is expedient to make provision for the regulation of the promotion of the construction, sale and management and transfer, of flats taken on ownership basis in the State of Mysore;

Be it enacted by the Mysore State Legislature in the Twenty-third Year of the Republic of India as follows :—

1. *Short title, extent and commencement.*—(1) This Act may be called the Mysore Ownership Flats (Regulation of the Promotion of Construction, Sale, Management and Transfer) Act, 1972.

(2) It extends to the whole of the State of Mysore.

(3) It shall come into force on such date as the State Government may, by notification in the official Gazette, appoint.

2. *Definition.*—In this Act, unless the context otherwise requires—

(*a*) 'flat' means a separate and self-contained set of premises used or intended to be used for residence or office or show-room or shop or godown (and includes a garage), the premises forming part of a building;

Explanation.—Notwithstanding that provision is made for sanitary, washing, bathing or other conveniences as common to two or more sets of premises, the premises shall be deemed to be separate and self-contained;

(*b*) 'prescribed' means prescribed by rules made under this Act;

(*c*) 'promoter' means a person who constructs or causes to be constructed a block or building of flats or apartments for the purpose of selling or all of them to other persons, or to a company, co-operative society or other association of persons and includes his assignees; and where the person who builds and the person who sells are different persons, the term includes both;

(*d*) 'Registrar' means the Registrar as defined in the Mysore Co-operative Societies Act, 1959 or, as the case may be, in the Companies Act, 1956;

(*e*) 'to construct a block or building of flats' includes to convert building or part thereof into flats.

3. *General Liabilities of Promoter.*—(1) Notwithstanding anything contained in any other law, a promoter who intends to construct or constructs a block or building of flats, all or some of which are to be taken or are taken on ownership basis, shall in all transactions with persons intending to take or taking one or more of such flats, be liable to give or produce or cause to be given or produced the information and the documents hereinafter in this section mentioned.

(2) A promoter, who constructs or intends to construct such block or building of flats, shall,—

(*a*) make full and true disclosure of the nature of his title to the land on which the flats are constructed, or are to be constructed; such title to the land as aforesaid having been duly certified by an Advocate of not less than seven years standing;

(*b*) make full and true disclosure of all encumbrances on such land, including any right, title, interest or claim of any party in or over such land;

(*c*) allow inspection on reasonable notice of the plans and specifications of the building built or to be built on the land; such plans and specifications having been approved by the local authority which he is required so to do under any law for the time being in force;

(*d*) disclose the nature of fixtures, fittings and amenities (including the provision for one or more lifts) provided or to be provided;

(*e*) disclose on reasonable notice or demand if the promoter is himself the builder, the prescribed particulars as respects the design and the materials to be used in the construction of the building and if the promoter is not himself the builder disclose, on such notice, or demand, all agreements (and where there is no written agreement, the details of all agreements) entered into by him with architects and contractors regarding hte design, materials and construction of the building;

(*f*) specify in writing the date by which possession of the flat is to be handed over;

(*g*) prepare and maintain a list of flats with their numbers already taken or agreed to be taken and the names and addresses of the parties and the price charged or agreed to be charged therefor and the terms and conditions if any on which the flats are taken or agreed to be taken;

(*h*) state in writing, the precise nature of the organisation of persons to be constituted and to which title is to be passed, and the terms and conditions governing such organisation of persons who have taken or are to take the flats;

(*i*) not allow persons to enter into possession until a completion certificate where such certificate is required to be given under any law, is duly given to the local authority;

(*j*) make a full and true disclosure of all outgoings (including ground rent if any, municipal or other local taxes, taxes on income, water charges and electricity charges, revenue assessment, interest on any mortgage or other encumbrances, if any);

(*k*) make a full and true disclosure of such other information and documents in such manner as may be prescribed and give or demand true copies of such of the documents referred to in any of the clauses of this sub-section as may be prescribed at a reasonable charges therefor.

4. *Promoter before accepting advance payment or deposit to enter into agreement and agreement to be registered.*—Notwithstanding anything contained in any other law a promoter who intends to construct or constructs a block or building of flats, all or some of which are to be taken or are taken on ownership basis, shall, before he accepts any sum of money as advance payment or deposit, which shall not be more than twenty per cent of the sale price, enter into a written agreement for sale with each of such persons who are to take or have taken such flats, and the agreement shall be registered under the Registration Act, 1908 and such agreement shall contain the prescribed particulars; and to such agreement there shall be attached, such documents or copies thereof, in respect of such matters, as may be prescribed.

5. *Promoter to maintain separate account of sums taken as advance or deposit and to be trustee therefor and disburse them for purposes for which given.*—The promoter shall maintain a separate account in any bank of sums taken by him, from persons intending to take or who have taken flats, as advance or deposit, including any sums so taken towards the share capital for the formation of a co-operative society or a company, or towards the outgoings (including ground rent, if any, municipal or other local taxes, taxes on income, water charges, electricity charges, revenue assessment, interest on any mortgage or other encumbrances, if any); and he shall hold the said moneys for the purposes for which they were given and shall disburse the moneys for those purposes, and shall on demand in writing by an officer appointed by a general or special order by the State Government for the purpose, make full and true disclosure of all transactions in respect of that account.

6. *Responsibility for payment of outgoing till property is transferred.*—A promoter shall, while he is in possession and where he collects from persnos who have taken over flats or are to take over flats sums for the payment of outgoings even thereafter, pay all outgoing (including ground rent, municipal or other local taxes, taxes on income, water charges, electricity-charges, revenue assessment, interest on any mortgage or other encumbrances, if any), until he transfers the property to the persons, taking over the flats, or to the organisation of any such persons.

7. *After plans and specifications are disclosed no alterations or additions without consent of persons who have agreed to take the flats ; and defects noticed within a year to be rectified.*—(1) After the plans and specifications of the building, as approved by the local authority as aforesaid, are disclosed or furnished to the person who agres to take one or more flats, the promoter shall not make—

(i) any altrations in the structures described therein in respect of the flat or flats which are agreed to be taken, without the previous consent of that person ; or

(ii) any other alterations in the structure of the building, or construct any additional structures, without the previous consent of all the persons who have agreed to take the flats.

(2) Subject to the provisions of sub-section (1), the building shall be constructed and completed in accordance with the plans and specifications aforesaid.

(3) If any defect in the building or material used, or if any unauthorised changing in the construction is brought to the notice of the promoter within a period of one year from the date of handing over possession, it shall wherever possible, be rectified by the promoter without further charge to the persons who have agreed to take the flats, and in other cases such persons shall be entitled to receive reasonable compensation for such defect or change.

(4) *Where there is a dispute as regards any defect in the building or material used, or any unauthorised change in the construction or as to whether it is reasonably possible for the promoter to rectify any such defect or change or as regards the amount of reasonable compensation payable in respect of any such defect or change which cannot be, or is not, rectified by the promoter the matter shall, on payment of such fee as may be prescribed, be referred for decision to such officer not lower in rank than a Superintending Engineer as the State Government may by general or special order specify in this behalf, within a period of two years from the date of handing over possession. Such officer shall after such inquiry as he deems necessary, record his decision, which shall be final.*

8. *Refund of amount paid with interest for failure to give possession within specified time or further time allowed. If,—*

(*a*) the promoter fails to give possession in accordance with the terms of his agreement of a flat duly completed by the date specified, or any further date or dates agreed to by the parties, or

(*b*) the promoter for reasons beyond his control and of his agents, is unable to give possession of the flat by the date specified, or the further agreed date and a period of three months thereafter, or a further period of three months if those reasons still exist, then, in any such case, the promoter shall be liable on demand (but without prejudice to any other remedies to which he may be liable) to refund the amounts already received by him in respect of the flat (with simple interest at *nine per cent per annum* from the date he received the sums till the date the amounts and interest thereon is refunded), and the amounts and the interest shall be a charge on the land and the construction if any thereon in which the flat is or was to be constructed to the extent of the amount due, but subject to any prior encumbrances.

9. *No mortgage etc., to be created without consent of parties after execution of agreement for sale.*—No promoter shall, after he executes an agreement to sell any flat, mortgage or create a charge on the flat or the land, without the previous consent in writing of the persons who take or agree to take the flats, and if any such mortgage or charge is made or created without such previous consent after the agreement referred to in section 4 is registered, it shall not affect the right and interest of such persons.

10. *Promoter to take steps for formation of co-operative society or company.*—(1) As soon as a minimum number of persons required to form a co-operative society or a company have taken flats, the promoter shall within the prescribed period submit an application to the Registrar for registration of the organisation of persons who take the flats as a co-operative society, or as the case may be, as a company; and the promoter shall join, in respect of the flats which have not been taken, in such application for membership of a co-operative society or as the case may be of a company.

(2) Nothing in sub-section (1) shall affect the right of the promoter to dispose of the remaining flats in accordance with the provisions of this Act.

11. *Promoter to convey title, etc., and execute documents, according to agreement.*—A promoter shal take all necessary steps to complete his title and convey to the organisation of persons, who take flats, which is registered either as a co-operative society or as a company as aforesaid, or to an association of flat-takers his right, title and interest in the land and building and execute all relevant documents therefore in accordance with the agreement

executed under section 4 and if no period for the execution of the conveyance is agreed upon, he shall execute the conveyance within the prescribed period and also deliver all documents of title relating to the property which may be in his possession or power.

12. *General liabilities of a person who takes a flat.*—(1) Every person who has executed an agreement to take a flat shall pay at the proper time and place the price, the municipal taxes, water and electricity charges, ground rent (if any), and other public charges payable in respect of the flat taken by him and where a co-operative society or a company of persons taking the flats is to be constituted, co-operate in the formation of such society or company, as the case may be.

(2) Any person who has executed an agreement to take a flat and who, without reasonable excuse fails to comply with or contravenes sub-section (1) shall, on conviction, be punished with fine which may extend to one thousand rupees.

13. *Manager not to cut off, with-hold, curtail or reduce essential supply or service.*—(1) No person, who is a promoter, or who is in charge of management or connected with the management of a block or building of flats, whether as member of a managing committee, Director, Secretary or otherwise, or is responsible for the maintenance thereof (hereinafter in this section referred to as "the manager"), shall, without just and sufficient cause, either by himself or through any person, cut off, with-hold or in any manner curtail or reduce, any essential supply or service enjoyed by the person who has taken a flat (or by any person in occupation thereof through or under him) in respect of the flat taken, or agreed to be taken by him.

(2) The person who has taken or agreed to take the flat or the occupier may, if the manager has contravened the provisions of sub-section (1), make an application to the Court for a direction to restore such supply or service.

(3) If the Court on enquiry finds that the applicant or the person through or under whom he is in occupation has been in enjoyment of the essential supply or service, and that it was cut off or with-held or curtailed or reduced by the manager without just and sufficient cause, the Court shall make an order directing the manager to restore such supply or service before a date to be specified in the order.

(4) The Manager who fails to restore the supply or service before the date so specified, shall for each day during which the default continues thereafter be liable upon a further direction by the Court to that effect, to fine which may extend to one hundred rupees.

(5) Notwithstanding anything contained in any law for the time being in force,—

(*a*) in any area for which a Court of Small Causes is established under the Mysore Small Cause Courts Act, 1964, that Court, and

(*b*) elsewhere, the Court of the Civil Judge, shall have jurisdiction to decide any application made under sub-section (2), and no other court shall have jurisdiction to entertain such application. No appeal shall lie from any order made on such application.

(6) The District Court may, for the purpose of satisfying itself that the order made on an application made under sub-section (2) was according to law, call for the case in which such order was made and pass such order with respect thereto as it thinks fit.

(7) Any manager who contravenes the provisions of sub-section (1) shall, on conviction, be punished with imprisonment for a term which may extend to three months or with fine or with both.

(8) An offence under sub-section (7) shall be a cognizable offence.

Explanation I.—In this section, essential supply or service includes the supply of water, electricity lights in passage, and on stair cases, lifts and conservancy or sanitary service.

Explanation II.—For the purposes of this section, withholding any essential supply or service shall include acts or omissions attributable to the manager on account of which the essential supply or service is cut off by the local authority or any other competent authority.

14. *Offences by promoter.*—Any promoter who, without reasonable excuse, fails to comply with or contravenes any provisions of this Act or of any rule made thereunder shall (where no other penalty is expressly provided for) on conviction, be punished with imprisonment for a term which may extend to one year or with fine which may extend to two thousand rupees, or with both; and a promoter who commits criminal breach of trust of any amount advanced or deposited with him for the purposes mentioned in section 5 shall, on conviction, be punished with imprisonment for a term which may extend to four years, or with fine, or with both.

15. *Offences by Companies.*—(1) If the person committing an offence under this Act is a company, every person who at the time the offence was committed was in charge of, and was responsible to the company for the conduct of business by the company, as well

as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly :

Provided that, nothing contained in this sub-section shall render any such person liable to such punishment provided in this Act if he proves that the offence was committed without his knowledge or that he exercised all due deligence to prevent the commission of such offence.

(2) Notwithstanding anything contained in sub-section (1) where an offence under this Act, has been committedwith the consent or connivance of, or is attributable to any negligence on the part of, any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

Explanation.—For the purpose of this section—

(*a*) 'company' means a body corporate and includes a firm or other association of individuals ; and

(*b*) 'director' in relation to a firm means a partner in the firm.

16. *Power to make rules.*—(1) The State Government may, subject to the condition of previous publication, by notification in the official Gazette, make rules to carry out the purposes of this Act.

(2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely :—

(*a*) the particulars as respects the design and the materials to be used in the construction of the building and the other information and documents to be disclosed, the manner in which disclosure to be made and the documents of which true copies shall be given by the promoter ;

(*b*) the particulars to be contained in the agreement for sale and the documents or copies thereof to be attached to such agreement ;

(*c*) the period within which the promoter shall submit an application for registration of a co-operative society or a company ;

(*d*) the period within which the promoter shall execute the conveyance ;

(*e*) any other matter which has to be, or may be, prescribed under this Act.

(3) Every rule made under this Act shall be laid as soon as may be after it is made before each House of the State Legislature while it is in session for a total period of thirty days which may

be comprised in one session or in two successive sessions, and if, before the expiry of the session in which it is so laid or the session immediately following, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall from the date on which the modification or anulment is notified by the State Government in the official Gazette have effect only in such modified form or be of no effect, as the case may be; so however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

17. *Act to be in addition to Transfer of Property Act and to over-ride contract to the contrary.*—The provisions of this Act, except where otherwise provided, shall be in addition to the provisions of the Transfer of Property Act, 1882, and shall take effect notwithstanding anything to the contrary contained in any contract.

18. *Act not to apply to the State Government, Housing Board, etc.*—Nothing contained in this Act shall apply to the State Government or to the Mysore Housing Board constituted under the Mysore Housing Board Act, 1962 (Mysore Act 10 of 1963) or to the Board of Trustees for the Improvement of the City of Mysore constituted under the City of Mysore Improvement Act, 1903 (Mysore Act 3 of 1903) or to the Board of Trustees for the Improvement of the City of Bangalore constituted under the City of Bangalore Improvement Act, 1945 (Mysore Act 5 of 1945).

STATEMENT OF OBJECTS AND REASONS

Separate law is being made to declare that flats or apartments in multistoreyed building may, for all purposes, be heritable and transferable immovable property. Owners of such flats or apartments enjoy exclusive ownership of their flats or apartments while retaining an undivided interest in the common areas and facilities which are to be used and owned by all such owners jointly.

An enterprising individual or group of individuals may either construct out of his or their own funds multistoreyed buildings consisting of a number of self contained flats or apartments and sell them to individuals on ownership basis, or construct such buildings after collecting contributions from intending purchasers of such flats or apartments.

In the interest of the intending purchasers who advance funds it is necessary to regulate the construction, sale, management and transfer of flats or apartments by individuals or group of individuals who construct such multistoreyed buildings.

Hence the Bill.

FINANCIAL MEMORANDUM

Clause 7 of the Bill provides for reference of certain disputes between the promoter and the flat taker to an officer to be appointed by the Government. If the number of disputes referred to are many it may become necessary to appoint some staff which may involve some recurring expenditure from the Consolidated Fund of the State. It is not possible to assess the probable expenditure as it depends upon the number of disputes raised. If very few disputes are raised appointment of new staff may not be necessary and there would be no extra expenditure.

MEMORANDUM REGARDING DELEGAETED LEGISLATION

Cause 3.—In sub-clause (2) of clause 3,—

(1) item (e) empowers the State Government to prescribed by rules the particulars as respects the design and materials to be used in the construction of the building by the promoter if he himself is the builder.

(2) item (k) empowers the State Government to prescribed by rules, the information on and documents in respect of which the promoter shall make a full and true disclosure, the manner in which he shall make such disclosure and the documents copies of which shall be given by the promoter.

Clause 4.—This clause empowers the State Government to prescribe by rules the particulars which the agreement to be registered by the promoter shall contain and the matter in respect of which documents, or copies thereof shall be attached to such agreement.

Clause 7.—Sub-clause (4) of clause 7, empowers the State Government to prescribe by rules the fee for referring the dispute regarding any defect in building or material used, or any unauthorised change in the construction or as to whether it is reasonably possible for the promoter to rectify ay such defect, etc., to an officer not lower in rank than a Superintending Engineer as the State Government may by general or special order specify in this behalf.

Clause 10.—This clause empowers the State Government to prescribe by rules the period within which the promoter shall submit an application for registration of a co-operative society or a company.

Clause 11.—This clause empowers the State Government to prescribe by rules the period within which the conveyance in accordance with the agreement under section 4 shall be executed.

Clause 16.—This clause empowers the State Government to make rules subject to the condition of previous publications to carry out the purpose of the Act.

The delegation of the proposed legislative power is of a normal character.

B. BASAVALINGAPPA.

TE. HANUMANTHAPPA,
Secretary.

ANNEXURE B

THE MYSORE APARTMENT OWNERSHIP BILL, 1972

(L.A. Bill No. 31 of 72)

A Bill to provide for the ownership of an individual apartment in a building and to make such apartment heritable and transferable property and for matters connected therewith.

WHEREAS it is expedient to provide for the ownership of an individual apartment in a building and to make such apartment heritable and transferable property and to provide for matters connected therewith;

BE it enacted by the Mysore State Legislature in the Twenty-third Year of the Republic of India as follows:—

1. *Short title, extent and commencement.*—(1) This Act may be called the Mysore Apartment Ownership Act, 1972.

(2) It extends to the whole of the State of Mysore.

(3) It shall come into force on such date as the State Government may, by notification in the official Gazette appoint.

2. *Application of the Act.*—This Act applies only to property the sole owner or all of the owners of which submit the same to the provisions of this Act by duly executing and registering a Declaration as hereinafter provided:

Provided that, no property shall be submitted to the provisions of this Act, unless it is mainly used, or proposed to be used for residential purposes.

3. *Definitions.*—In this Act, unless the context otherwise requires,—

(*a*) "apartment" means a part of the property intended for any type of independent use, including one or more rooms or enclosed spaces located on one or more floors (or part or parts thereof) in a building, intended to be used for residential purposes and with a direct exit to a public street, road or highway or to a common area leading to such street, road, or highway;

(*b*) "apartment owner" means the person or persons owning an apartment and an undivided interest in the common areas and facilities in the percentage specified and established in the declaration;

(*c*) "apartment number" means the number, letter, or combination thereof designating the apartment in the declaration;

(*d*) "Association of Apartment Owners" means all of the apartment owners acting as a group in accordance with the bye-laws and declaration;

(*e*) "building" means a building containing four or more apartments, or two or more buildings, each containing two or more apartments, with a total of four or more apartments for all such buildings, and comprising a part of the property;

(*f*) "common areas and facilities", unless otherwise provided in the Declaration or lawful amendments thereto, means—

(1) the land on which the building is located;

(2) the foundations, columns, girders, beams, supports, main walls, roofs, halls, corridors, lobbies, stairs, stariways, fire-escapes and entrances and exit of the building;

(3) the basements, cellars, yards, gardens, parking areas and storage spaces;

(4) the premises for the lodging of janitors or persons employed for the management of the property;

(5) installations of central services, such as power, light, gas, hot and cold water, heating, refrigeration, air conditioning and incinerating;

(6) the elevators, tanks, pumps, motors, fans, compressors, ducts and in general all apparatus and installations existing for common use;

(7) such community and commercial facilities as may be provided for in the Declaration; and

(8) all other parts of the property necessary or convenient to its existence, maintenance and safety, or normally in common use;

(*g*) "common expenses" means,—

(1) all sums lawfully assessed against the apartment owners by the Association of Apartment Owners;

(2) expenses of administration, maintenance, repair or replacement of the common areas and facilities;

(3) expenses agreed upon as common expenses by the Association of Apartment Owners;

(4) "expenses declared as common expenses by the provisions of this Act, or by the Declaration or the bye-laws;

(*h*) "common profits" means the balance of all income, rents, profits and revenues from the common areas and facilities remaining after the deduction of the common expenses;

(*i*) "competent authority" means in relation to buildings constructed or to be constructed by the Housing Board, the Secretary of the Housing Board and in any other case, the Registrar of Co-operative Societies as defined in the Mysore Co-operative Societies Act, 1959;

(*j*) "Declaration" means the instrument by which the property is submitted to the provisions of this Act, as hereinafter provided,and such Declaration as from time to time may be lawfully amended;

(*k*) "Housing Board" means the Housing Board constituted under the Mysore Housing Board Act, 1962 (Mysore Act 10 of 1963);

(*l*) "joint family" means an undivided Hindu family, and in the case of other persons, a group or unit, the members of which are by custom joint in possession or residence;

(*m*) "limited common areas and facilities" means those common areas and facilities designated in the Declaration as reserved for use of certain apartment or apartments to the exclusion of the other apartments;

(*n*) "majority" or "majority of apartment owners" means the apartment owners with fifty-one per cent or more of the votes in accordance with the percentages assigned in the Declaration to the apartments for voting purposes;

(*o*) "person" includes a joint family;

(*p*) "prescribed" means prescribed by rules made under this Act;

(*q*) "property" means the land, the building, all improvements and structures thereon, all owned in freehold or head on lease or as occupant under any law relating to land revenue and all easements, rights and appurtenances belonging thereto, and all articles of personal property intended for use in connection therewith, which have been or are intended to be submitted to the provisions of this Act.

4. *Status of apartments.*—Each apartment, together with its undivided interest in the common areas and facilities, appurtenant to such apartment, shall for all purposes constitute heritable and transferable immovable property within the meaning of any law for the time being in force in the State; and accordingly, an apartment owner may transfer his apartment and the percentage of undivided interest in the common areas and facilities appurtenant to such apartment by way of sale, mortgage, ease, gift, exchange or in any other manner whatsoever in the same manner, to the same extent and subject to the same rights, privileges, obligations, liabilities, legal

proceedings and remedies as any other immovable property, or make a request of the same under the laws applicable to the transfer and succession of immovable property.

5. *Ownership of apartments.*—(1) Each apartment owner shall be entitled to the exclusive ownership and possession of his apartment.

(2) Each apartment owner shall execute a Declaration that he submits his apartment to the provisions of this Act and a Deed of Apartment in relation to his apartment in the manner prescribed for the purpose.

6. *Common areas and facilities.*—(1) Each apartment owner shall be entitled to an undivided interest in the common areas and facilities in the percentage expressed in the Declaration. Such percentage shall be computed by taking as a basis the value of the apartment in relation to the value of the property; and such percentage shall reflect the limited common areas and facilities.

(2) The percentage of the undivided interest of each apartment owner in the common areas and facilities as expressed in the Declaration shall have a permanent character, and shall not be altered without the consent of all of the apartment owners expressed in an amended Declaration duly executed and registered as provided in this Act. The percentage of the undivided interest in the common areas and facilities shall not be separated from the apartment to which it appurtains, and shall be deemed to be conveyed or encumbered with the apartment even though such interest is not expressly mentioned in the conveyance or other instrument.

(3) The common areas and facilities shall remain undivided, and no apartment owner or any other person shall bring any action for partition or division of any part thereof, unless the property has been removed from the provisions of this Act as provided in sections 14 and 22. Any covenant to the contrary shall be null and void.

(4) Each apartment owner may use the common areas and facilities in accordance with the purpose for which they are intended without hindering or encroaching upon the lawful rights of the other apartment owners.

(5) The necessary work of maintenance, repair and replacement of the common areas and facilities and the making of any additions or improvements thereto shall be carried out only as provided herein and in the bye-laws.

(6) The Association of Apartment Owners shall have the irrevocable right, to be exercised by the Manager or Board of Managers, to have access to each apartment from time to time during reasonable hours as may be necessary for the maintenance, repair and replacement of any of the common areas and facilities therein

or accessible therefrom, or for making emergency repairs therein necessary to prevent damage to the common areas and facilities or to another apartment or apartments.

7. *Compliance with covenants, bye-laws and administrative provisions.*—Each apartment owner shall comply strictly with the bye-laws and with the administrative rules and regulations adopted pursuant thereto, as either of the same may be lawfully amended from time to time, and with the convenants, conditions and restrictions set forth in the Declaration or in the Deed to his Apartment. Failure to comply with any of the same shall be a ground for an action to recover sums due for damages or injunctive relief or both maintainable by the Manager or Board of Managers on behalf of the Association of Apartment Owners or, in a proper case by an aggrieved apartment owner.

8. *Certain work prohibited.*—No apartment owner shall do any work which would jeopardize the soundness or safety of the property, reduce the value thereof or impair any easement or hereditament nor may any apartment owner add any material structure or excavate any additional basement or cellar without in every such case the unanimous consent of all the other apartment owners being first obtained.

9. *Encumbrances against apartments; removal from encumbrances, effect of part payment.*—(1) Subsequent to recording the Declaration as provided in this Act, and while the proporty remains subject to this Act, no encumbrance of any nature shall thereafter arise or be effective against the property During such period encumbrances may arise or be treated only against each apartment and the percentage of undivided interest in the common areas and facilities appurtenant to such apartment, in the same manner and under the same conditions in every respect as encumbrances may arise or be created upon or against any other separate parcel of pwoperty subject to individual ownershp;

Provided that if during the period any encumbrance has arisen or been created against apartment and the percentage of undivided interest in the common areas and facilities, appurtenant to such apartment, no apartment and such percentage of undivided interest shall be partitioned or sub-divided in interest:

Provided further that, no labour performed or materials furnished with the consent or at the request of an apartment owner or his agent or his contractor or sub-contractor shall be the basis for a charge or any encumbrance under the provisions of the Transfer of Property Act, 1882, against the apartment or any other property of any other apartment owner not expressly consenting to or requesting the same, except that such express consent shall be deemed to be given by the owner of any apartment in the case of emergency

repairs thereto. Labour performed and material furnished for the the common areas and facilities if duly authorised by the Association of Apartment Owners, the Manager or Board of Managers in accordance with this Act, the Declaration or by-laws, shall be deemed to be performed or furnished with the express consent of each apartment owner and shall be the basis for a charge or encumbbrance under the Act aforesaid against each of the apartments and shall be subject to the provisions of sub-section (2) of this section.

(2) In the event of a charge or any encumbrance against two or more apartments becoming effective, the apartment owners of the separate apartments may remove their apartments and the percentage of undivided interest in the common areas and facilities appurtenant to such apartments from the charge or encumbrance by payment of the fractional or proportional amounts attributable to each of the apartments affected. Such individual payment shall be computed by reference to the percentages appearing in the Declaration. Subsequent to any such payment, discharge or other satisfaction the apartment and the percentage of undivided interest in the common areas and facilities appurtenant thereto shall thereafter be free and clear of the charge or encumbrance so paid, satisfied or discharged. Such partial payment, satisfaction or discharge shall not prevent the person having a charge or any other encumbrance from proceeding to enforce his rights against any apartment and the percentage of undivided interest in the common areas and facilities appurtenant thereto not so paid, satisfied or discharged.

10. *Common profits and expenses.*—The common profits of the property shall be distributed among and the common expenses shall be charged to, the apartment owners according to the percentage of the undivided interest in the common areas and facilities.

11. *Contents of Declaration.*—(1) The Declaration shall contain the following particulars, namely :—

(*a*) descriptions of the land on which the building and improvements are or are to be located ; and the whether the land is freehold or leasehold ;

(*b*) description of the building stating the number of storeys and basements, the number of apartments and the principal materials of which it is or is to be constructed ;

(*c*) the apartment numbebr of each apartment, and a statement of its location, approximate area, number of rooms, and immediate common area to which it has access, and any other data necessary for its proper identification ;

(*d*) description of the common areas and facilities ;

(*e*) description of the limited common areas and facilities, if any, stating to which apartments their use is reserved ;

(*f*) value of the property and of each apartment, and the percentage of undivided interest in the common areas and facilities appurtaining to each apartment and its owner for all purposes, including voting; and a statement that the apartment and such percentage of undivided interest are not encumbered in any manner whatsoever on the date of the declaration;

(*g*) statement of the purpose for which the building and each of the apartments are intended and restricted as to use;

(*h*) the name of a person to receive service of process in the cases hereinafter provided, together with the residence or place of business of such person which shall be within the city, town or village in which the building is located;

(*i*) provision as to the percentage of votes by the apartment owners which shall be determinative of whether to rebuild, repair, restore, or sell the property in the event of damage or destruction of all or part of the property;

(*j*) any other details in connection with the property which the person executing the Declaration may seem desirable to set forth consistent with this Act;

(*k*) the method by which the Declaration may be amended, consistent with the provisions of this Act.

(2) A true copy each of the Declaration and bye-laws and all amendments to the Declaration or the bye-laws shall be filed in the office of the competent authority.

12. *Contents of Deed of Apartments.*—(1) Deeds of Apartments shall include the following particulars, namely:—

(*a*) description of the land as provided in Section 11 of this Act or the post office address of the property, including in either case the book, page and date of executing the Declaration, the date and serial number of its registration, under the Registration Act, 1908 and the date and other reference if any, of its filing with the competent authority;

(*b*) the apartment number of the apartment in the Declaration and any other data necessary for its proper identification;

(*c*) statement of the use for which the apartment is intended and restrictions on its use, if any;

(*d*) the percentage of undivided interest appurtaining to the apartment in the common areas and facilities;

(*e*) any further details which parties to the Deed may deem desirable to set for the consistent with the Declaration and this Act.

(2) A true copy of every Deed of Apartment shall be filed in the office of the competent authority.

13. *Declarations, Deeds of Apartments and copies floor plans to be registered.*—(1) The Declaration and all amendments thereto and the Deed of Apartment in respect of each apartment and the floor plans of the buildings referred to in sub-section (2) shall be registered under the Registration Act, 1908.

(2) Simultaneously with the registration of the Declaration there shall be filed with it a set of the floor plans of the building showing the layout, location, apartment numbers and dimensions of the apartments, stating the name of the building or that it has no name, and bearing the verified statement of an architect certifying that it is an accurate copy of portions of the plans of the building as filed with and approved by the local authority within whose jurisdiction the building is located. If such plans do not include a verified statement by such architect that such plans fully and accurately depict the layout location, apartment numbers and dimensions of the apartments as built, there shall be recorded prior to the first conveyance of any apartment, an amendment to the Declaration to which shall be attached a verified statement of an architect certifying that the plans therefore filed, or being filed simultaneously with such amendment, fully and accurately depict the layout, location, apartment number and dimensions of the apartment as built.

(3) In all registration offices a book called "Register of Declaration and Deeds of Apartments under the Mysore Apartment Ownership Act, 1972" and Index relating thereto shall be kept. The book and the Index shall be kept in such form and shall contain such particulars as may be prescribed.

(4) It shall be the duty of every Manager or Board of Managers to send to the Sub-Registrar of the sub-district in which the property containing the apartment is situate, or if there is no Sub-Registrar for the area, to the Registrar of the district in which such property is situate, a certified copy of the Declaration and Deed of Apartment made in respect of every apartment contained in the building forming part of the property together with a memorandum containing such particulars as may be prescribed.

(5) The Sub-Registrar, or as the case may be, the Registrar shall register the Declaration along with floor plans of the buildings and the Deed of Apartment in the "Register of Declaration and Deeds of Apartments under the Mysore Apartment Ownership Act, 1972" and shall also enter particulars in the Index kept under sub-section (3) any person acquiring any apartment of any apartment owner shall be deemed to have notice of the Declaration and of the Deed of Apartment as from the date of its registration under this section.

(6) Except as provided in this section, the provisions of the Registration Act, 1908, shall *mutatis mutandis* apply to the registration of such Declarations and Deeds of Apartments, and the

words and expressions used in this section but not defined in this Act shall have the meanings assigned to them in the Registration Act, 1908.

14. *Removal from provisions of this Act.*—(1) All the apartment owners may remove a property from the provisions of this Act by an instrument to that effect duly executed:

Provided that, the holders of all charges and other encumbrances affecting any of the apartments consent thereto or agree, in either case by instruments duly executed, that their charges or encumbrances be transferred to the percentage of the undivided interest of the apartment owner in the property as hereinafter provided.

(2) Upon the removal of the property from the provisions of this Act the property shall be deemed to be owned in common by the apartment owners. The undivided interest in the property owned in common which shall appertain to each apartment owner shall be the percentage of undivided interest previously owned by such owner in the common areas and facilities.

15. *Removal no bar to subsequent re-submission of property to this Act.*—The removal provided for in the preceding section shall in no way bar the subsequent re-submission of the property to the provisions of this Act.

16. *Bye-laws and their contents.*—(1) The administration of every property shall be governed by bye-laws, a true copy of which shall be annexed to the Declaration. No modification of or amendment to the bye-law shall be valid, unless set forth in an amendment to the Declaration and such amendment is duly recorded and a copy thereof is duly filed with the competent authority.

(2) The bye-laws shall provide for the following matters, namely:—

(*a*) the election from among the apartment owners of a Board of Managers, the number of persons constituting the same, and that the terms of at least one-third of the members of such Board shall expire annually; the powers and duties of the Board; the compensation, if any, of the members of the Board; the method of removal from office of members of the Board; and whether or not the Board may engage the services of a Secretary, a Manager or Managing Agent, and specifying which of the powers and duties granted to the Board by this Act or otherwise may be delegated by the Board to either or both of them;

(*b*) method of calling meetings of the apartment owners; what percentage, if other than a majority of Apartment Owners, shall constitute a quorum;

(*c*) election of a President from among members of the Board of Managers who shall preside over the meetings of such Board and of the Association of Apartment Owners;

(*d*) election of a Secretary who shall keep a minute book wherein resolutions shall be recorded;

(*e*) election of a Treasurer who shall keep the financial records and books of accounts;

(*f*) maintenance, repair and replacement of the common areas and facilities and payments therefor;

(*g*) manner of collecting from the apartment owners their share of the common expenses;

(*h*) designation and removal of persons employed for the maintenance, repair and replacement of the common areas and facilities;

(*i*) the method of adopting and of amending administrative rules and regulations governing the details of the operation and use of the common areas and facilities;

(*j*) such restrictions on the requirements respecting the use and maintenance of the apartments and the use of the common areas and facilities not set forth in the Declaration, as are designed to prevent unreasonable interference with the use of their respective apartments and of the common areas and facilities by the several apartment owners;

(*k*) the percentage of the votes required to amend the bye-laws,

(3) The bye-laws may also provide for the following matters, namely:—

(*a*) subject to the provisions of this Act, provision for regulating transfer or partition of any apartment and percentage of undivided interest in the common areas and facilities appurtenant to such apartment, subject to such terms and conditions as may be specified in the bye-laws;

(*b*) provisions enabling the Board of Managers to retain certain areas of the building and lease to non-residents for commercial purposes and for distribution of resulting proceeds to the apartment owners as income or application thereof in reduction of their common charges for maintaining the building;

(*c*) any other provisions, not inconsistent with the provisions of this Act, relating to the audit and accounts and administration of the property and annual and special general meetings, annual report and the like.

17. *Waiver of use of common areas and facilities; Abandonment of apartment.*—No apartment owner may exempt himself from liability for his contribution towards the common expenses by waiver of the use or enjoyment of any of the common areas and facilities, or by abandonment of his apartment.

18. *Separate assessment.*—Notwithstanding anything to the contrary contained in any law relating to local authorities, each apartment and its percentage of undivided interest in the common areas and facilities appurtenant to such apartment (being an apartment submitted to the provisions of this Act) shall be deemed to be separate property for the purpose of assessment to tax on lands and buildings leviable under such law and shall be assessed and taxed, accordingly; and for this purpose, a local authority shall make all suitable rules to carry out the provisions of this section. Neither the building, the property nor any of the common areas and facilities shall be deemed to be separate property for the purposes of the levy of such tax.

19. *Charge on property for common expenses.*—All sums assessed by the Association of Apartment owners but unpaid for the share of the common expenses chargeable to any apartment shall constitute a charge on such apartment prior to all other charges, except only (i) charge if any on the apartment for payment of Government and municipal taxes and (ii) all sums unpaid on a first mortgage of the apartment.

20. *Joint and several liability of vendor, etc., for unpaid common expenses.*—(1) Upon the sale of an apartment, the purchaser of the apartment shall be jointly and severally liable with the vendor for all unpaid assessments against the latter for his share of the common expenses upto the time of the sale without prejudice to the purchaser's or grantee's right to recover from the vendor the amount paid by the purchaser or grantee therefor.

(2) A purchaser referred to in sub-section (1) shall be entitled to a statement from the Secretary or Board of Managers, setting forth the amount of the unpaid assessment against the vendor and such purchaser or grantee shall not be liable for, nor shall the apartment sold be subject to a charge for any unpaid share of common expenses against such apartment accrued prior to such sale or bequest in excess of the amount therein set forth.

21. *Insurance.*—(1) The Manager or Board of Managers, if required by the Declaration or the Bye-laws or by a majority of the apartment owners, or at the request of a mortgagee having a first mortgage covering an apartment, shall have the authority to, and shall obtain insurance for the property against loss or damage by fire and such other hazards under such terms and for such amounts as shall be required, or requested.

(2) Insurance referred to in sub-section (1) shall be written in the name of the Manager or of the Board of Managers of the Association of the Apartment Owners as trustee for each of the apartment owners in the percentages established in the Declaration.

(3) Premiums in respect of insurance referred to in sub-section (1) shall be common expenses and such insurance shall be without prejudice to the right of each apartment owner to insure his own apartment for his benefit.

22. *Disposition of property; destruction or damage.*—If within sixty days of the date of damage or destruction to all or part of the property, it is not determined by the Association of Apartment Owners to repair, reconstruct or rebuild, then and in that event—

(*a*) the property shall be deemed to be owned in common by the apartment owners;

(*b*) the undivided interest in the property owned in common which shall appurtain to each apartment owner shall be the percentage of the undivided interest previously owned by such owner in the common areas and facilities;

(*c*) any encumbrances affecting any of the apartments shall be deemed to be transferred in accordance with the existing priority to the percentage of the undivided interest of the apartment owner in the property as provided herein;

(*d*) the property shall be subject to an action for partition at the suit of any apartment owner, in which even the net proceeds of sale together with the net proceeds of the insurance on the property, if any, shall be considered as one fund and shall be divided among all the apartment owners in percentage equal to the percentage of undivided interest owned by each owner in the property after first paying out all the respective shares of the apartment owners to the extent sufficient for the purpose and all charges on the undivided interest in the property owned by such apartment owner.

23. *Action.*—Without limiting the rights of any apartment owner, actions may be brought by the Manager or Board of Managers, in either case in the discretion of the Board of Managers, on behalf of two or more of the apartment owners as their respective interest may appear with respect to any cause of action relating to the common areas and facilities or more than one apartment. Service of process on two or more apartment owners in any action relating to the common areas and facilities or more than one apartment may be made on the person designated in the Declaration to receive service of process.

24. *Act to be binding on apartment owners, tenants, etc.*—(1) All apartment owners, tenants of such owners, employees of

owners and tenants, or any other person that may in any manner use property or any part thereof submitted to the provisions of this Act shall be subject to this Act and to the Declaration and the bye-laws of the Association of Apartment Owners adopted pursuant to the provisions of this Act.

(2) All agreements, decisions and determinations lawfully made by the Association of Apartment Owners in accordance with the voting percentages established under this Act, Declaration or bye-laws, shall be deemed to be binding on all apartment owners.

25. *Power to make rules.*—(1) The State Government may, subject to the condition of previous publication, by notification in the official Gazette, make rules for carrying into effect the provisions of this Act.

(2) Every rule made under this Act shall be laid as soon as may be after it is made before each House of the State Legislature while it is in session for a total period of thirty days which may be comprised in one session or in two successive sessions, and if, before the expiry of the session in which it is so laid or the sessions immediately following, both Houses agree in making any modification in the rule or both Houses agree that the rule shall not be made, the rule shall from the date on which the modification or annulment is notified by the State Government in the official Gazette have effect only in such modified form or be of no effect, as the case may be; so however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

26. *Removal of doubt.*—For the removal of doubt, it is hereby declared that the provisions of the Transfer of Property Act, 1882, shall, in so far as they are not inconsistent with the provisions of this Act, apply to every apartment together with its undivided interest in the common areas and facilities appurtenant to such apartment as those provisions apply in relation to any immovable property, and the provisions of this Act shall take effect, notwithstanding anything to the contrary contained in any contract.

27. *Severability.*—If any provision of this Act or any section, sentence, clause, phrase, or word, or application thereof in any circumstances is held invalid, the validity of the remainder of this Act and of the application of any such provision, section, sentence, clause, phrase, or word, in any other circumstances shall not be affected thereby.

Statement of Objects and Reasons

Consequent upon the shortage of lands in urban areas, the majority of the citizens of urban areas of the State cannot think

in terms of owning houses on individual basis. Though there is a tendency to construct multi-storeyed flats, apartments and the like on ownership basis, intending persons cannot purchase flats, tenements. or apartments in multi-storeyed buildings as they will not have a marketable title thereto and cannot obtain any loan by mortgaging such flats, tenements, etc. Consequently tenements constructed by the Housing Board for example cannot be sold to the tenants. Who cannot raise any loan on the security of such tenements with the result that an enormous amount of capital will be locked up, which can be utilised for new constructions to meet the increasing demands for housing. It is, therefore, considered expedinnt that each apartment should for all purposes constitute a heritable adn transferable immovable property, and that suitable legislation should provide for all matters connected therewith. It is felt that such a measure will not only enable many a person to own his apartment, but it will at the same time enable institutions like Housing Boards to utilise their locked up capital in the construction of new buildings. The following notes on clauses explain the important provisions in the Bill.

Clause 2.—By this clause, the provisions of the Act are made applicable only to property, the sole owner or all of the owners of which submit the same to the provisions of the Act by duly executing a Declaration as provided in the Act.

Clause 4.—Under this clause, each apartment, together with its undivided interest in tc common areas and facilities appartenant to such apartment is constituted for all purposes a heritable and transferable immovable property.

Clause 5.—By this clause, the owner of each appartment is given exclusive ownership and possession of his apartment and he is required to execute a Declaration that he submits his apartment to the provisions of the Act and a Deed of Apartment in relation to his apartment.

Clause 6.—This clause specifies the common areas and facilities to which each apartment owner shall be entitled, and prohibits an apartment owner from bringing any action for partition or division of any part of such common areas, unless the property has been removed from the provisions of the Act.

The clause further provides for carrying out the work of maintenance, repair and replacement of the common areas and facilities as provided in the bye-laws.

Clause 7.—This clause puts an obligation on each apartment owner to comply strictly with the bye-laws and with the administrative rules and regulations adopted pursuant thereto and with the covenants, conditions and restrictions set forth in the Declaration or in the Deed to his apartment.

Clause 8.—This clause prohibits the apartment owner from doing any work which would jeoparadize the soundness of safety of the property or reduce the value thereof or from adding any material structure or excavating any additional basement or cellor without the unanimous consent of all the other apartment owners being first obtained.

Clause 9.—This clause indicates to what extent encumbrances against apartments and property can arise or be created.

Clause 10. This clause provides for the sharing of the common expenses by the apartment owners.

Clause 11.—This clause mentions the particulars to be included in a Declaration.

Clause 12.—This clause mentions the particulars to be included in a Deed of Apartment.

Clause 13.—This clause provides for the registration of Declarations, Deeds of Apartments and copies of floor plans.

Clause 14.—This clause provides for the removal of property from the provisions of the Act.

Clause 15.—This clause provides that removal is no bar to subsequent resumbission of property to Act.

Clause 16.—This clause provides for bye-laws and their contents.

Clause 17.—This clause prohibits waiver of the use or enjoyment of any common areas and facilities by apartment owners to avoid liability to contribute towards the common expenses.

Clause 18.—This clause provides for separate assessment of each apartment.

Clause 19. This clause constitutes all sums assessed by the Association of Apartment Owners in respect of any apartment but unpaid, a charge on such apartment.

Clause 20.—This clause provides for the joint and several liability of vendor, etc., for unpaid common expenses.

Clause 21.—This clause provides for insuring the property against loss or damage by fire and such other hazards in certain circumstances.

Clause 22.—This clause provides for disposition of property in certain circumstances.

Clause 24.—Under this clause, the Act is made binding on apartment owners, tenants of such ' owners, employees of owners and tenants or any other person who may in any manner use property or any part thereof submitted to the provisions of the Act.

Clause 25.—This clause confers rule making power on the State Government.

Clause 26.—This clause provides that the Transfer of Property Act shall apply to every apartment as they apply to any immovable property and contracts to the contrary are over-ridden.

Memorandum Regarding Delegated Legislation

1. *Clause* 5.—Sub-clause (2) of clause 5 empowers the State Government to prescribe by rules are manner in which each apartment owner is required to execute a Declaration to the effect that he submits his apartment to the provisions of the Act and a Deed of Apartment in relation to his apartment.

2. *Clause* 13.—Sub-clause (3) of clause 13 empowers the State Government to prescribe by rules the form in which a book called 'Registration of Declarations and Deeds of Apartments under the Mysore Apartment Ownership Act, 1972" and Index relating thereto shall be kept in all registration offices and the particulars which such book shall contain.

3. *Clause* 13.—Sub-clause (4) of clause 13 empowers the State Government to prescribe by rules the particulars which the memorandum to be sent to the Sub-Registrar or the Registrar, as the case, may be, along with the copy of the Declaration and Deed of Apartment shall contain.

4. *Clause* 25.—Clause 25 empowers the State Government to make rules for carrying into effect the provisions of the Act. Power to make rules is subject to the condition of previous publication.

The delegation of the proposed legislative power is of a normal character.

B. BASAVALINGAPPA.

TE. HANUMANTHAPPA,
Secretary.

THE MYSORE ACQUISITION OF LAND (FOR GRANT OF HOUSE SITES) BILL, 1972.

(L.A. Bill No. 32 of 72)

A Bill to provide for acquisition of lands for granting house sites to weaker sections of the people in the State.

Whereas it is expedient to provide for the acquisition of lands for the public purpose of granting house sites to the weaker sections of the people in the State and for purposes connected therewith ;

Be it enacted by the Mysore State Legislature in the Twenty-third Year of the Republic of India as follows :—

1. *Short title and commencement.*—(1) This Act may be called the Mysore Acquisition of Lands (for grant of House Sites) Act, 1972.

(2) It shall come into force at once.

2. *Definitions.*—In this Act unless the context otherwise requires,—

(1) " Deputy Commissioner " includes any officer specially appointed by the State Government to perform the functions of a Deputy Commissioner under this Act ;

(2) " notification " means a notification published in the official Gazette ;

(3) " prescribed " means prescribed by rules made under this Act ;

(4) " weaker sections of people " means persons belonging to the Scheduled Castes or Scheduled Tribes, landless labourers and such other class or classes of persons as the State Government may, having regard to their economic backwardness, by notification, specify ;

(5) the expression " land " and the expression " person interested " shall have the meanings respectively assigned to them in the Land Acquisition Act, 1894 (Central Act 1 of 1894) as amended by the Land Acquisition (Mysore Extension and Amendment) Act, 1961.

3. *Acquisition of land.*—(1) If at any time, in the opinion of the State Government any land is required for the purpose of providing house sites to the weaker sections of people who are houseless the State Government may, by notification give notice of its intention to acquire such land.

(2) On the publication of a notification under sub-section (1), The State Government shall serve notice upon the owner or where the owner is not the occupier, of the land and on all such persons

known or believed to be interested therein to show cause, within thirty days from the date of service of the notice, why the land should not be acquired.

(3) After considering the cause, if any, shown by the owner of the land and by any other person interested therein, and after giving such owner and person an opportunity of being heard, the State Government may pass such orders as it deems fit.

(4) After orders are passed under sub-section (3), where the State Government is satisfied that any land should be acquired for the purpose specified in the notification issued under sub-section (1) a declaration shall, by notification in the official Gazette, be made to that effect.

(5) On the publication in the official Gazette of the declaration under sub-section (.), the land shall vest absolutely in the State Government free from all encumbrances.

(6) Where any land is vested in the State Government under sub-section (5), the State Government may, by notice in writing, order any person who may be in possession of the land to surrender or deliver possession thereof to the State Government or any person duly authorised by it in this behalf within thirty days of the service of the notive.

(7) If any person refuses or fails to comply with an order made under sub-section (5), the State Government or any officer authorised by the State Government in this behalf may take possession of the land and may for that purpose use such force as may be necessary.

5. *Amount payable.*—(1) Where any land is acquired by the State Government under this Act, the State Government shall pay for such acquisition an amount in accordance with the provisions of this section.

(2) Where the amount has been determined by agreement between the State Government and the person whose land has been acquired, it shall be paid in accordance with such agreement.

(3) Where no such agreement can be reached, the State Government shall refer the case to the Deputy Commissioner for determination of the amount to be paid for such acquisition as also the person or persons to whom such amount shall be paid.

(4) On receipt of a reference under sub-section (3), the Deputy Commissioner shall serve notice on the owner or occupier of such land and on all persons known or believed to be interested herein to appear before him and state their respective interests in the said land.

6. *Application of Central Act 1 of 1894.*—The provisions of the Land Acquisition Act, 1894 (Central Act 1 of 1894) as amended by the Land Acquisition (Mysore Extension and Amendment) Act, 1961 shall , *mutatis mutandis,* apply in respect of enquiry and award by the Deputy Commissioner, the reference to Court, the apportionment of amount and the payment of amount in respect of lands acquired under this Act.

7. *Delegation of powers by the State Government.*—The State Government may, by notification, delegate subject to such conditions and restrictions as may be specified in such notification, any of its powers under this act except the power to make rules under section 8, to any of its officers.

8. *Rules.*—(1) The State Government may, by notification make rules for carrying out the purposes of this Act.

(2) Every rule made under this Act shall be laid as soon as may be after it is made before each House of the State Legislature while it is in section for a total period of thirty days which may be comprised in one session or in two successive sessions, and if, before the expiry of the session in which it is o laid or the essions immediately tely following both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall from the date on which the modification or annulment is notified by the State Government in the official Gazette have effect only in such modified from or be of no effect, as the case may be; so however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

Statement of Objects and Reasons

The Government of India have recently introduced a scheme for provision of house sites to families of landless workers in rural areas under which 100 per cent assistance is provided to the States towards acquisition of land and also towards development of house sites upto Rs. 150 per site.

2. The State Government have decided to implement the scheme on a massive scale and have issued orders in Government Order No. DPC 15 DRH 72.

3. In order to implement the scheme expeditiously the lands required for the purpose have to be acquired without delay.

Memorandum Regarding delegated Legislation

1. *Clause 7.*—This clause 7 empowers the State Government to delegate by notification any of its power under the Act except the power to make rules under section 8 to any of its officers subject to such conditions and restrictions as may be specified.

2. *Clause* 8.—This clause empowers the State Government to make rules for carrying out the purpose of the Act.

The rules made by the State Government will be laid before both the Houses of the State Legislature and are subject to modification by the Legislature.

The delegation of the proposed legislative power is of a normal character.

B. BASAVALINGAPPA.

TE. HANUMANTHAPPA,
Secretary.

WD 18847—GPB—550—28-12-73